## **OFFICIAL NOTICE NO. 6152**

## REQUEST FOR PROPOSALS

(Proposals Due by 4:00 p.m. CDT, May 25, 2006)

# PARK EAST CORRIDOR DEVELOPMENT

## MILWAUKEE, WISCONSIN

## Block 4, Park East on the West Side of the Milwaukee River

Lot 1, Lots 2&3 combined, and/or Lot 4

(also identified as Block 7 - Lot A, C&D, and B of the Park East Redevelopment Plan)

Milwaukee County is soliciting proposals for the purchase and development of a vacant County-owned property located in the former Park East Freeway Corridor in the City of Milwaukee. Milwaukee County is seeking a developer or development team ("Proposer") to purchase and develop the property in a manner that is compatible with and adds vitality to the surrounding neighborhood, complies with the City of Milwaukee Park East Redevelopment Plan ("Redevelopment Plan"), responds adequately to the Milwaukee County Park East Redevelopment Compact and returns the property to the property tax roll.

#### **SUMMARY**

Property:

Block 4 of the Park East Development Plat west of the Milwaukee River.

Lot 1 is approximately 18,331 square feet. See Exhibit A-1.

<u>Lots 2&3</u> are approximately 30,479 square feet (excluding the east/west alley, that comprises approximately 3,734 square feet). See **Exhibit A-2**. Lot 2 is encumbered by a permanent easement granted to the Milwaukee Metropolitan Sewerage District (MMSD) that restricts the development of portions of the lot. See **Exhibit A-3**.

Lot 4 is approximately 24,964 square feet. See Exhibit A-4.

The legal descriptions used to convey the properties will reflect the Final Park East Development Plat west of the Milwaukee River, adopted by the City of Milwaukee Common Council and the subsequent title commitment.

A Proposal may be submitted for one of the lots described above (Lots 2 and 3 must be purchased together), any combination of lots, or all the lots comprising the entire block. The Property has prime frontage on North Old World Third Street, North 4<sup>th</sup> Street, West McKinley Avenue and West Juneau Avenue. The Property has level topography at street grade.

An 84" storm sewer encumbers the east/west alley of Block 4. In the event the east/west alley between Lots 2 & 3 is incorporated in the Proposer's development or if the alley area is assembled with Lots 2 & 3 within twenty-four (24) months after closing and the alley is not required by the City of Milwaukee for public access, then the Proposer shall pay Milwaukee County for the alley land area acquired as indicated below. If the alley is incorporated in the proposed development and vacated by the City the storm sewer shall remain in place and the Proposer shall enter into a permanent sewer easement.

### Property History:

The Property is located within the former Park East Freeway Corridor. The elevated freeway structure that existed within the Park East Corridor was razed and replaced with an at-grade, six-lane boulevard (West McKinley Avenue) and a new bridge across the Milwaukee River. Removal of the freeway structure allowed for the reestablishment of the city street grid and opened up the land beneath and around the freeway corridor for redevelopment as a high quality residential, commercial and entertainment area. The Property along with other properties within the former Park East Freeway Corridor was under the jurisdiction of the State of Wisconsin, Department of Transportation.

## Minimum Prices: (Block 4)

Lot 1:	\$ 730,000	(\$	39.82/ft)
Lots 2 & 3:	\$ 1,016,000 w/o alley	(\$	33.33/ft)
Lots 2 & 3:	\$ 1,145,000 w/alley		33.47/ft)
Lot 4:	\$ 940,000	677.36	37.65/ft)

No brokerage fee will be paid by Milwaukee County.

### Development Code/ Zoning:

The Property is located within the Park East Renewal Area, and is governed by the Redevelopment Plan, adopted by the City of Milwaukee Common Council on June 15, 2004. The Redevelopment Plan consists of three documents:

- The Renewal Plan, that contains language that satisfies the state statutes in order to carry out the renewal activities within the Park East Redevelopment project boundaries.
- The Master Plan, that links the Redevelopment Plan to the Milwaukee Downtown Plan.
- The Development Code, that defines land use and design standards.

The Redevelopment Plan includes a Development Code that defines permitted land uses and physical design standards such as building placement, height, build-to lines, and street-edge treatment. Relevant portions of the Development Code pertaining to Block 4 are attached to this Request For Proposals as **Exhibit B**, including an addendum related to Lot 2 (Exhibit #1).

The Redevelopment Authority of the City of Milwaukee must approve all development plans before building permits can be issued. The approval hinges on conformance with the standards enumerated in the Development Code.

The full Development Code and Redevelopment Plan are available on-line at <a href="www.mkedcd.org/parkeast">www.mkedcd.org/parkeast</a>. Block 4 is located in the McKinley Avenue District. It is the responsibility of the Proposer to review and understand the three documents prior to submitting a proposal. Questions about the Development Code may be directed to Mr. Joel Brennan at the Redevelopment Authority of the City of Milwaukee, (414) 286-5820.

The property is zoned C9B(A). This zoning category allows for a mix of uses including residential, retail, office, and entertainment. A full list of permitted uses is identified in the Redevelopment Plan.

Potential Use:

The land use provisions and building/site requirements described in the Redevelopment Plan are applicable to all publicly and privately owned parcels and structures located within the Redevelopment Plan boundary. All permit applications and plans for new construction within the area of the Redevelopment Plan will be referred to and reviewed by the Redevelopment Authority of the City of Milwaukee to determine conformance with the Redevelopment Plan. Parking to serve the proposed development will be in the form of a parking structure with ground level, non-parking uses. Shared parking among uses that have non-overlapping, peak parking demands (such as nighttime and weekend entertainment activities) is encouraged.

Utilities:

Municipal sewer and water is available to the Property. It is the responsibility of the Proposer to verify with the City of Milwaukee the location and capacity of the utilities necessary to serve the proposed development. The existence and/or suitability of laterals are the responsibility and obligation of the Proposer. Deferred assessments and/or charges/fees on the Property, if any, shall be the financial obligation of the Proposer. Questions regarding the MMSD easement on Lot 2 should be directed to Dennis Stefanik at <a href="mailto:dstefanik@mmsd.com">dstefanik@mmsd.com</a>.

Environmental Conditions:

Independent Phase I & II Environmental Site Assessments (ESA) have been conducted on the Property. The environmental information for Block 4 is included in **Exhibit C.** 

Subsoil Conditions:

The Property was part of the former Park East Freeway Corridor and contained above and below grade freeway structures. Demolition of the elevated freeway structures included the partial or complete removal of the below-grade freeway support elements and related infrastructure (except piles). The City of Milwaukee, Department of Public Works managed the demolition of the elevated freeway structures as well as the removal of the below-grade freeway support elements and related infrastructure. For

specific information regarding the freeway demolition contact Mr. Mike Longhran in the City Department of Public Works at 414-286-2451.

Prior to the existence of the freeway, the Property contained various buildings and/or structures (see **Exhibit D** attached). Therefore, the Property may contain foundations, building materials, and/or various debris from the previous demolition and any remaining freeway support elements or related infrastructure. The Proposer is responsible for and must make adequate allowance for all excavation and disposal costs necessary for their particular project proposal. Milwaukee County has no information regarding the bearing capacity of the soil and the Proposer accepts the Property in "as-is" condition. After the selection of a proposal, a right of entry permit will be made available from Milwaukee County, upon request, to conduct subsoil investigations at the Proposer's expense.

Storm water Management Plan:

For any property that exceeds one acre, the Proposer will be required to submit a stormwater management plan prepared by a registered engineer, in conformance with Chapter 120, City of Milwaukee Code of Ordinances. See <a href="https://www.mkedcd.org/build/pdfs/stormwat.pdf">www.mkedcd.org/build/pdfs/stormwat.pdf</a> for more information.

Conveyance Conditions:

Conveyance of the Property shall be "as-is" without warranty as to soil, subsoil and environmental conditions. Proposer shall be responsible for all property development costs, including, but not limited to, extension of water and sewer laterals to the property line, vacation charges or fees, if any, deferred assessments, if any, and the replacement of sidewalks and curb cuts. Sale of the Property will be subject to the Proposer commencing construction of the proposed development within three (3) months of the closing date (date that title to the Property is conveyed by Milwaukee County) and completing the construction within twenty-four (24) months from commencement of construction or as otherwise mutually agreed between the parties as part of the Development Agreement.

Performance Deposit:

The Proposer shall submit to Milwaukee County, at or prior to closing, a Performance Deposit ("Deposit") in the amount of the \$50,000.00. The Deposit shall serve as security for the satisfactory performance of the obligations and commitments outlined in the Proposer's proposal approved by the Milwaukee County Board of Supervisors and County Executive, this Request for Proposals, the Development Agreement and as a guarantee for the completion of the development approved by the City of Milwaukee. Completion of the approved development and return of the Deposit shall be recognized by the issuance of a Certificate of Completion ("Certificate") by Milwaukee County's Director of Economic and Community Development. No interest will be paid on the Deposit. This Certificate is not an occupancy permit or building code approval. These must be granted by the City of Milwaukee.

Park East Redevelopment Compact:

Milwaukee County Board Resolution File No. 04-492, (see Exhibit E attached), established the Park East Redevelopment Compact (PERC) for the sale and development of the County-owned land within the former Park East Freeway Corridor. The policy direction created through the PERC was adopted to pursue the "goal of providing additional sustainable community benefits" from the sale and development of the County-owned land.

The Proposer will be required to comply with the "Disadvantaged Business Enterprise (DBE)" section of the PERC (lines 82-86 of Exhibit E). The DBE participation goal is 25% of the project's construction budget and 17% for the project's professional services non-construction budget. Documentation of the Proposer's good faith effort to satisfy or exceed this utilization percentage must be made to the Community Business Development Partners (CBDP) office prior to closing. For more information please contact the County CBDP office at 414-278-5248.

The Proposer must also meet the requirements of the "Prevailing Wages & Employment Data" section of the PERC (lines 111 – 119 of Exhibit E). The Proposer must address the other sections of the PERC outlined in the PERC Commitments section on page 7 of this Request for Proposals.

Development Agreement:

Proposer will be required to enter into a Development Agreement, as part of the Property closing that includes but is not limited to, the content, commitments/obligations and schedule of the approved development project by Milwaukee County and the City of Milwaukee, the Park East Redevelopment Compact commitments within the proposal approved by the Milwaukee County Board of Supervisors and County Executive and the DBE utilization plan. The Development Agreement will also contain the terms and content in this Request for Proposals and a clause worded as follows:

The Proposer shall agree that damages will not be an adequate remedy at law and that Milwaukee County shall have the right to an injunction or other judgment of Specific Performance to enforce any provision in the proposal, Development Agreement, the Park East Redevelopment Plan, the City Zoning Code, and County Ordinance or any other State or Federal Law. Venue for such action shall be Wisconsin State Court with venue in Milwaukee County. Milwaukee County shall be entitled to its reasonable attorney fees in any action to enforce such provisions. This shall include the actual costs of Milwaukee County Corporation Counsel's office if it is the Attorney for Milwaukee County or reasonable attorney fees for other attorney that may be hired by Milwaukee County.

Proposal Deadline:

Proposals must be received by 4:00 p.m. CDT on Thursday, May 25, 2006 in the office of the Milwaukee County Procurement Division, 2711 W. Wells Street, Milwaukee, Wisconsin, Room 501.

Approval/ Grant of Option:

Upon approval of a Proposer and a proposed development by the Milwaukee County Board of Supervisors and the County Executive, the Proposer will be granted a nonassignable nine (9) month option to purchase on the Wisconsin Department of Regulation and Licensing form WB-24 (sample attached as Exhibit F). The option period shall be used by the Proposer to satisfy or obtain any or all purchase and development requirements, approvals or licenses/permits from the City of Milwaukee and /or other regulatory agencies. Proposer shall exercise the option on or before the expiration of the nine-month option period and close the purchase within thirty (30) days thereafter. A three (3) month option extension will be provided for in the option. The selected Proposer shall pay a \$50,000.00 option fee in the form of a certified cashier's check or money order for the nine-month option period and an additional \$15,000 option fee shall be paid for the three-month option extension period. The \$50,000 option fee, and \$15,000 option extension fee (if applicable), shall be credited against the purchase price at closing, but not refunded if the property purchase is not finalized.

Property Closing:

Closing the sale is contingent upon the approval of the final construction plans by the City of Milwaukee, with said plans being consistent with the proposal approved by the Milwaukee County Board of Supervisors and County Executive. Proposer shall satisfactorily demonstrate that the project financing and final construction plan approval and building permits are in place prior to closing. The State of Wisconsin will be releasing any interest it may have in the property prior to closing.

### PROPOSAL CONDITIONS/REQUIREMENTS/INSTRUCTIONS

The proposal submitted under this Request for Proposals shall include, but not necessarily be limited to the following:

Qualifications

Identify the corporate identity, ownership type, individuals and/or development team submitting the proposal and summarize the expertise, background and experience they possess to complete the proposed development. Describe any comparable development projects completed by the individuals and/or development team.

Purchase price

The price being offered for the Property comprising Lot 1, Lots 2 & 3 combined, Lot 4, any combination of lots, or the entire Block 4 with consideration given to the minimum prices noted on page 2 herein.

Project Description

A project narrative indicating the type and/or mix of the development being proposed, the compatibility of the proposed development with the immediate neighborhood and how the development will enhance the neighborhood. The proposal should outline the financing strategy and demonstrate project feasibility, along with budget and project income expectations (including estimated rents, unit sales prices, etc). The proposal should include sketches, building elevations, preliminary/conceptual architectural plans, type of construction and building materials to be used. Describe any unique design elements or other features that make the proposal a signature or landmark development. Provide a summary of the marketing plan for the elements of the development. Colored three-dimensional renderings are recommended to support the project description.

Site Plan

Preliminary plan(s) depicting building areas, open/green spaces, parking, pedestrian and vehicular circulation, site ingress/egress, site landscaping and street-scaping.

Project schedule

Estimated schedule of the proposed development, including commencement and completion dates with the completion date considering approval schedule of the development by the City of Milwaukee.

PERC commitments

Each proposal shall outline the Proposer's intent to satisfy the PERC commitments defined in the "Prevailing Wages and Employment Data" and the "Disadvantaged Business Enterprise" sections of **Exhibit E** (lines 111-119 and 82-86 respectively). Each proposal shall also outline if and how it will include the other components of the PERC, specifically:

Enhanced Apprenticeship & Training	lines 88 – 92
Local Employment & Coordination	lines 94 – 109
Affordable Housing	lines 121 - 127
Green Space & Green Design	lines 129 – 132

Estimated Project Value

Estimated project cost (including developer's fees, if any) and estimated value of the project at completion, in year 2006-dollar amounts.

## PROPOSAL SUBMITTAL/CHANGES/CONTACT INFO/INFORMATIONAL MEETING

Submission

Please send or deliver fifteen (15) complete copies of your proposal marked Official Notice 6152 by the 4:00 p.m. CDT, Thursday, May 25, 2006 deadline to:

Milwaukee County Procurement Division 2711 W. Wells Street, Room 501 Milwaukee, WI 53208

Proposals not received by this deadline will not be considered and will be returned.

Changes and Clarifications

Any changes or clarifications to this Request for Proposals will be posted on the Request for Proposals website at:

www.county.milwaukee.gov/parkeast

E-notify messages will be sent if these pages are updated.

Pre-Submittal Informational Meeting

A Pre-Submittal Informational Meeting will be held on Wednesday, March 15, 2006, from 1:30 to 2:30 PM in Building B, County Health Related Programs (CHRP) Auditorium, 9501 West Watertown Plank Road, Wauwatosa, Wisconsin. Parties interested in submitting a proposal for Block 4 are encouraged to attend this meeting. Representatives from Milwaukee County and the City of Milwaukee will be present to answer questions. A summary of the questions and answers from this session will be posted thereafter to the <a href="https://www.county.milwaukee.gov/parkeast">www.county.milwaukee.gov/parkeast</a> website.

Contact Information

Contact personnel and information are listed on the attached Exhibit G.

Questions regarding this Request for Proposals or the Pre-Submittal Informational Meeting should be directed to Mr. Craig C. Dillmann, Manager of Real Estate Services, Milwaukee County at 414-278-4371 or <a href="mailto:block4winfo@milwenty.com">block4winfo@milwenty.com</a>.

Questions regarding the Redevelopment Plan, potential land use, right of way matters, zoning, utilities, or other city development issues/approvals should be directed to Mr. Joel Brennan at <a href="mailto:jbrenn@mkedcd.org">jbrenn@mkedcd.org</a> or 414-286-5820 in the Redevelopment Authority of the City of Milwaukee.

All proposals submitted are the property of Milwaukee County and will not be returned. Portions of a proposal that are deemed proprietary please mark items as such. Milwaukee County will honor confidentiality requests to the extent possible.

## PROPOSAL EVALUATION AND SELECTION

## Proposals generally will be evaluated based on the following criteria:

- The aesthetic quality, design, mix and architectural compatibility of the proposed development, including the type and quality of building materials, the extent of landscaping and the extent to which the proposed development enhances the surrounding neighborhood.
- Compatibility of the proposed use with the adjacent land uses and compliance with the City of Milwaukee Redevelopment Plan, the associated Development Code, and the City of Milwaukee Zoning Ordinance.

- The purchase price (consider minimum purchase prices on page 2 herein), estimated project cost, estimated project value, development schedule, and projected tax base increment (The objective of this Request for Proposals is to return the property to the Property tax roll).
- Feasibility of the project financing plan/package.
- The capability (including financial) and experience of the Proposer to complete the proposed development.
- The extent to which the Proposer addresses the PERC commitments within the proposed development.
- Overall responsiveness to the requirements of the Request for Proposals.

Milwaukee County reserves the right to accept or reject any or all proposals for any reason at its sole discretion; and/or to discuss/negotiate the terms and conditions of a submitted proposal with a Proposer or the selected Proposers; or to request additional information or documentation concerning a submitted proposal.

The content of this Request for Proposals is for informational purposes only and the representations made herein, though thought to be accurate, are without warranty. Proposers shall rely exclusively on their own investigations and analyses.

Pursuant to adopted County Board Ordinance 9.05(2)(1) no person(s) with a personal financial interest in the approval or denial of a contract (proposal) being considered by a County department or with an agency funded and regulated by a County department, may make a campaign contribution to any County official who has approval authority over that contract during its consideration. Contract consideration shall begin when a contract is submitted directly to a County department or to an agency until the contract has reached final disposition, including adoption, County Executive action, proceedings on veto (if necessary) or departmental approval. This provision does not apply to those items covered by Section 9.15 (honorariums, fees, and expenses) unless an acceptance by an elected official would conflict with this section.